

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

SB 616

March 2, 2009

SUMMARY OF BILL: Authorizes municipal electric systems (MES) that provide broadband service to obtain a state-issued certificate of franchise authority from the Tennessee Regulatory Authority (TRA) and requires the MES to obtain the consent of each electric cooperative or MES in whose territory the broadband service will be offered.

ESTIMATED FISCAL IMPACT:

Increase State Revenue – Not Significant

Increase Local Revenue – Exceeds \$100,000/Permissive

Increase Local Expenditures – Exceeds \$100,000/Permissive

Assumptions:

- According to the TRA, any application fees received are estimated to result in a not significant increase in state revenue.
- Utilities must recover their costs through rates charged to customers. Any increase in expenditures for obtaining the consent of other MES and for installing infrastructure will require additional revenue from customers.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in cursive script, reading "James W. White".

James W. White, Executive Director

/kmc